



H.G Markets (PVT) Limited
Corporate Member
PMEX (Pakistan Mercantile Exchange)

March 27, 2023



DAILY RESEARCH REPORT

Global Monetary Policies- Interest Rates



Federal Reserve Bank 5.00%



Bank of Canada 4.50%



Bank of England 4.25%



European Central Bank 3.50%



Swiss National Bank 1.50%



Bank of Japan -0.10%

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➤ U.S INDICES

US stock futures rose on Monday as Wall Street looked to build on a strong performance last week, while investors continued to grapple with lingering anxiety over the banking crisis and escalating risk of a recession. Futures contracts tied to the three major indexes were all up about 0.5%. Last week, the Dow rose 1.18%, the S&P 500 gained 1.39% and the tech-heavy Nasdaq Composite jumped 1.66%. Those moves came as the Federal Reserve delivered a widely expected 25 basis point rate hike last week, and signaled that it could be nearing the end of this tightening cycle. Regulators also aimed to assure markets that the US banking system remained stable and supported in various commentaries. Meanwhile, Minneapolis Fed President Neel Kashkari said over the weekend that the bank turmoil heightened the risk of a US recession. Investors now look ahead to a key measure of US inflation and several speeches from Fed officials this week.

NASDAQ

Day High: 12919

Day Low: 12727

RESISTANCE 1

13050

RESISTANCE 2

13150

RESISTANCE 3

13280

SUPPORT 1

12839

SUPPORT 2

12720

SUPPORT 3

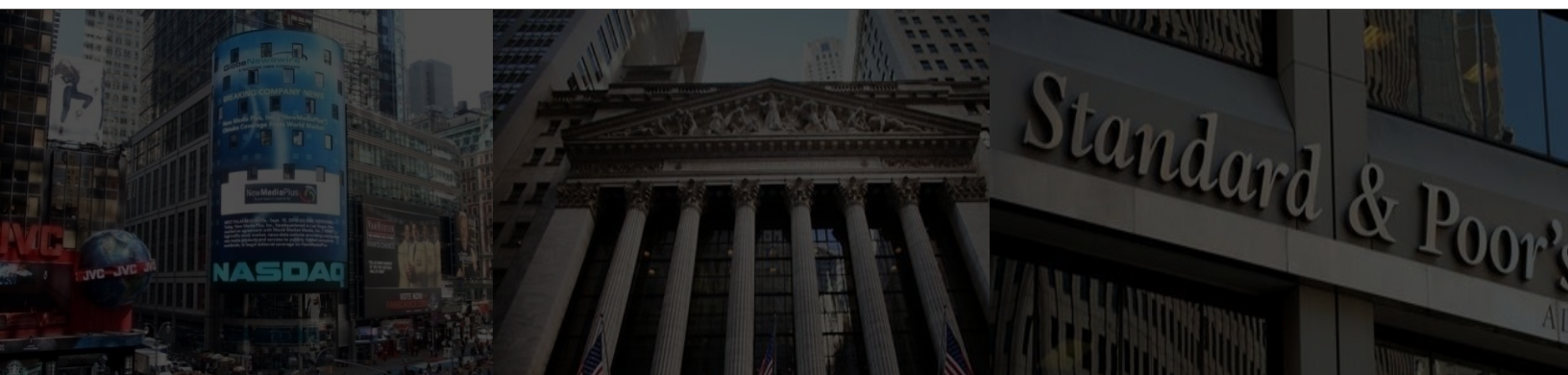
12600

CURRENT PRICE

12947

PIVOT

12824



➤ METALS

Gold slipped below \$1,980 an ounce on Monday, extending losses from the prior session, as flash readings for March showed that manufacturing and services activities in the US beat expectations. Meantime, the US dollar tried to recover from 7-week lows, with the index standing around 103 after St. Louis Fed President James Bullard indicated Friday that the US central bank is nowhere near done with its tightening stance and it will have to raise rates higher. Limiting the falls were worries that central banks have yet to contain the worst shock to the banking sector since 2008. On Friday, the cost of insuring Deutsche Bank's debt against the risk of default surged to the highest on record. Meanwhile, Credit Suisse Group and UBS Group are under scrutiny by a US Justice Department into whether financial professionals helped Russian oligarchs evade sanctions. Gold has tested the \$2,000 an ounce level a few times last week, amid sustained demand from top buyer China.

GOLD

Day High: 2006

Day Low: 1977

RESISTANCE 1

1975

RESISTANCE 2

1985

RESISTANCE 3

2000

SUPPORT 1

1960

SUPPORT 2

1950

SUPPORT 3

1935

CURRENT PRICE

1968

PIVOT

1989

SILVER

Day High: 23.69

Day Low: 23.03

RESISTANCE 1: 23.40

SUPPORT 1: 22.80

RESISTANCE 2: 23.75

SUPPORT 2: 22.45

RESISTANCE 3: 24.15

SUPPORT 3: 22.00

CURRENT PRICE: 23.13

PIVOT: 23.27

PLATINUM

Day High: 994

Day Low: 961

RESISTANCE 1: 980

SUPPORT 1: 965

RESISTANCE 2: 988

SUPPORT 2: 955

RESISTANCE 3: 1000

SUPPORT 3: 942

CURRENT PRICE: 975

PIVOT: 981

➤ GOLD-GBP/USD

The British pound fell to below \$1.22, weakening from two sessions of gains on renewed banking concerns following reports that UBS and Credit Suisse are under scrutiny in a US Justice Department probe into whether financial professionals helped Russian oligarchs evade sanctions. Still, the sterling is set for a second consecutive week of gains, after the Bank of England raised its key bank rate by 25bps to 4.25%, as largely expected, and left the door open for more rate hikes should inflation persist. The latest data showed a sustained increase in UK private sector output, largely reflecting a strong performance by the service economy. The PMIs survey suggested that the UK economy grew by 0.2% from the preceding quarter in the first three months of 2023.

GOLD-GBP/USD

Day High: 1.2293

Day Low: 1.2187

RESISTANCE 1

1.2260

RESISTANCE 2

1.2300

RESISTANCE 3

1.2375

SUPPORT 1

1.2182

SUPPORT 2

1.2115

SUPPORT 3

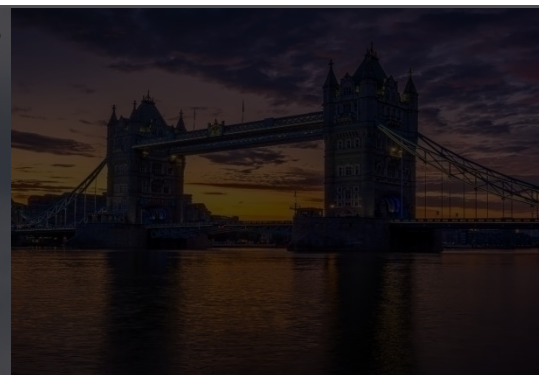
1.2045

CURRENT PRICE

1.2222

PIVOT

1.2245



➤ GOLD-EUR/USD

The euro hovered around \$1.075, down from a seven-week high of \$1.0929 touched last Wednesday, as investors dumped riskier currencies on worries over global banking turmoil and recession. Credit Suisse had to tap the Swiss National Bank for "a large multi-billion amount" to secure its liquidity, while there was some relief that First Citizens BancShares Inc is in advanced talks to acquire Silicon Valley Bank. On Friday, shares of Deutsche Bank tumbled after the bank announced the redemption of \$1.5 billion in a set of tier 2 notes due in 2028, and its credit default swaps surged to the highest level since their first introduction in 2019. On the monetary policy front, ECB's Joachim Nagel has stated that if inflation developed as projected, that should not mark the end of the current ECB's hike campaign. In the US, the Federal Reserve expects to bring the interest rates to 5.1% by the end of 2023, while futures show near a 90% chance the Fed stands pat in May and delivers a cut in July.

GOLD-EUR/USD

Day High: 1.0851

Day Low: 1.0711

RESISTANCE 1

1.0800

RESISTANCE 2

1.0865

RESISTANCE 3

1.0925

SUPPORT 1

1.0700

SUPPORT 2

1.0650

SUPPORT 3

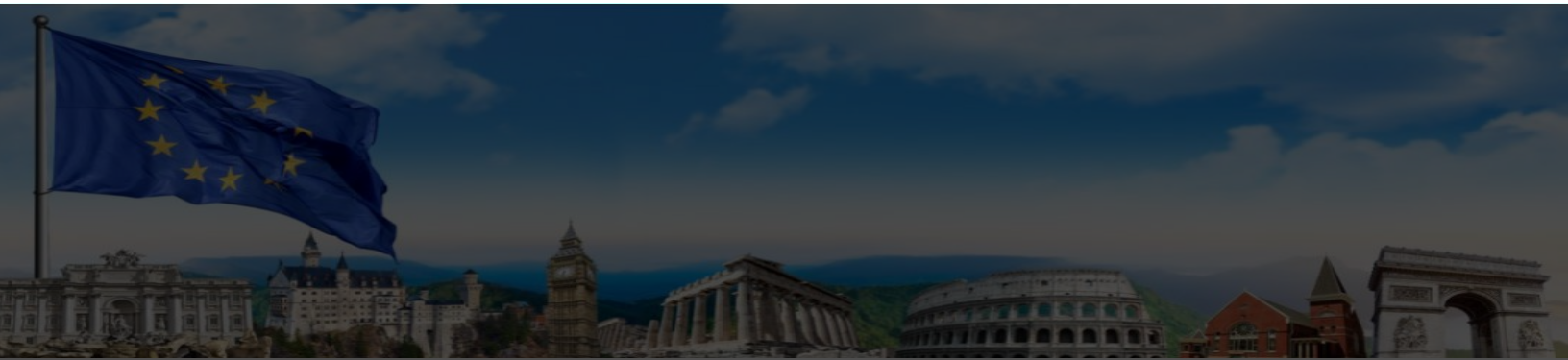
1.0585

CURRENT PRICE

1.0755

PIVOT

1.0790



➤ GOLD-USD/JPY

The Japanese yen appreciated toward 130 per dollar, hitting its strongest levels in six weeks even after data showed that Japan's annual core inflation rate slowed sharply in February, but an index removing energy costs hit a four-decade high. On the monetary policy front, minutes from the Bank of Japan's January meeting showed members reiterated the need to maintain ultra-easy policies, as it takes time to reach the 2% inflation target in a sustainable and stable manner. The BOJ left its policy of ultra-low interest rates unchanged at the March meeting, in what was Governor Haruhiko Kuroda's final policy meeting before his retirement. Meanwhile, the yen also found support after the US Federal Reserve raised rates by 25bps as expected but Fed Chair Powell said during the press conference that the pause in hiking rates was considered to address the banking crises.

GOLD-USD/JPY

Day High: 131.02

Day Low: 129.62

RESISTANCE 1

131.80

RESISTANCE 2

132.95

RESISTANCE 3

134.00

SUPPORT 1

131.55

SUPPORT 2

130.50

SUPPORT 3

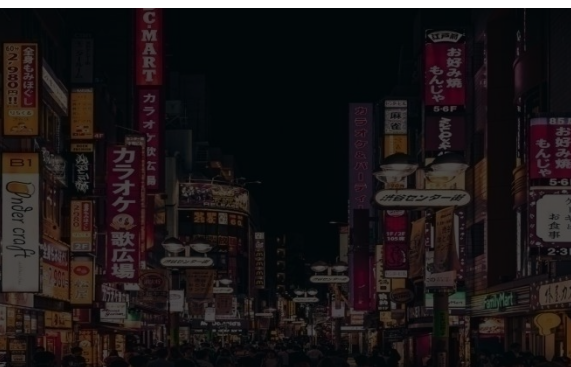
129.32

CURRENT PRICE

131.21

PIVOT

130.48



➤ CRUDE OIL

WTI crude futures climbed toward \$70 per barrel on Monday, building on gains from last week as assurances from US regulators allayed investors' fears over a broader financial crisis. US authorities are contemplating an expanded emergency lending facility for the banking sector, though investors remain wary of further market volatility. Expectations that the Federal Reserve will soon end its tightening campaign and optimism over China's demand recovery also supported bullish sentiment. Still, the US oil benchmark remains close to its lowest levels since December 2021 as growing fears of a US recession and resilient Russian supply weighed on the market. JPMorgan Chase & Co. is forecasting Brent to break below \$60 per barrel in the near term, as reported by Bloomberg.

CRUDE OIL

Day High: 70.34

Day Low: 66.80

RESISTANCE 1

70.55

RESISTANCE 2

72.00

RESISTANCE 3

74.50

SUPPORT 1

68.35

SUPPORT 2

67.30

SUPPORT 3

65.00

CURRENT PRICE

69.80

PIVOT

68.94



➤ NATURAL GAS

U.S. natural gas futures posted a third straight weekly loss, returning to the low \$2 levels, as the close of an unusually-warm winter and the ushering in of balmy spring weather suggested neither heating or cooling demand that would make a material difference to investors in the fuel. Gas for April delivery on the New York Mercantile Exchange's Henry Hub performed a final trade of \$2.181 on Friday. It earlier settled the session at \$2.216 per mmBtu, down 2.9% on the day. For the week, the front-month gas futures contract lost about 5%. Natural gas decreased 1.97 USD/MMBtu or 47.98% since the beginning of 2023, according to trading on a contract for difference (CFD) that tracks the benchmark market for this commodity. A mostly warm 2022/23 winter has led to considerably less heating demand in the U.S. versus the norm, leaving more gas in storage than initially thought. Responding to the warmth and lackluster storage draws, gas prices plunged from a 14-year high of \$10 per mmBtu in August, reaching \$7 in December before trading mostly at mid-\$2 levels over the past month.

NATURAL GAS

Day High: 2.234

Day Low: 2.137

RESISTANCE 1

2.200

RESISTANCE 2

2.305

RESISTANCE 3

2.410

SUPPORT 1

2.020

SUPPORT 2

1.920

SUPPORT 3

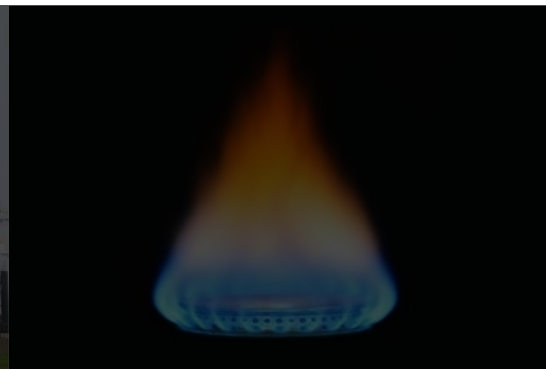
1.800

CURRENT PRICE

2.123

PIVOT

2.177



Economic Calendar

Date	12:16pm	Currency	Impact
Mon Mar 27	10:00pm	GBP	BOE Gov Bailey Speaks

Product	Previous Day High	Previous Day Low	Current Price	Pivot	Pivot Strategy
NASDAQ	12919	12727	12947	12824	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
GOLD	2006	1977	1968	1989	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
SILVER	23.69	23.03	23.13	23.27	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
PLATINUM	994	961	975	981	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
GOLD-GBP/USD	1.2293	1.2187	1.2222	1.2245	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
Gold-EUR/USD	1.0851	1.0711	1.0755	1.0790	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.

GOLD- USD/JPY	131.02	129.62	131.21	130.48	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
CRUDE OIL	70.34	66.8	69.80	68.94	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.
NATURAL GAS	2.234	2.137	2.123	2.177	IF CURRENT PRICE IS ABOVE PIVOT, PRICE IS LIKELY TO GO UP. RESISTANCE 1 AND 2 COULD BE USED AS TARGET PRICES. IF CURRENT PRICE IS BELOW PIVOT, PRICE IS LIKELY TO GO DOWN. SUPPORT 1 AND 2 COULD BE USED AS TARGET PRICES.

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